Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)	
)	
Requirements for Digital Television Receiving)	ET Docket No. 05-24
Capability)	
)	

COMMENTS OF SHARP ELECTRONICS CORPORATION

Adam Goldberg
Director, Television Standards &
Policy Development
Sharp Laboratories of America, Inc.
8605 Westwood Center Drive
Suite 206
Vienna, VA 22182
703-556-4406

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Sharp Electronics Corporation, Inc. and Sharp Laboratories of America, Inc. ("SHARP") respectfully submit these Comments in answer to the Commission's Notice Of Proposed Rulemaking in the above-captioned proceeding.¹

In the FNPRM, the Commission seeks comment on whether the schedule it mandated in August, 2002² for all new television receivers to tune digital, as well as analog, broadcasts should be changed, and the compliance date moved up from July 1, 2007, to a date no later than December 31, 2006.³ The Commission also seeks comment on whether the requirement to include a digital television (DTV) tuner in new receivers should be extended to receivers with screen sizes less than 13 inches.⁴

I. <u>INTRODUCTION</u>

SHARP is committed to supporting the digital transition. The greatest benefits to the public will accrue from an expeditious and yet deliberate digital transition. Acceleration or

¹ In the Matter of Requirements for Digital Television Receiving Capability, Report and Order and Further Notice of Proposed Rulemaking, ET Docket No. 05-24, FCC 05-121 (rel. June 9, 2005) ("FNPRM").

² 47 C.F.R. § 15.117(i) (2003); See Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television, MM Docket No. 00-39, Second Report and Order and Second Memorandum Opinion and Order, 17 FCC Rcd 15978 (2002) ("Digital Tuner Order").

³ See FNPRM, at para. 21.

⁴ *Id.* at para. 22.

imposition of requirements that eliminate classes of products that do not have long-planned replacements is a recipe for marketplace hiccups, consumer confusion and a *delayed*, rather than accelerated digital transition.

II. ACCELERATED DATES

SHARP does not believe that advancing the tuner mandate requirement for 13" televisions earlier than July 1, 2007 would assist the digital transition nor benefit the public. In the time since October, 2002 when the tuner mandate was originally adopted, SHARP has made product plans based on those certain requirements – and notable among them is a model transition that occurs in the summertime.

As the Commission is aware, the consumer electronics industry typically develops product plans and begins engineering in the summer and fall, and presents those plans to large buyers in the fall and leading up to the annual Consumer Electronics Show ("CES"). The products chosen by buyers at CES are then completed, manufactured and delivered to distributors and retailers in the summer and fall (in time for the holiday selling season).

Furthermore, an advance to January 1, 2007 would require volume manufacturing for all affected models to commence no later than November 2006 – a mere 15 months from today. However, production scheduling and operational considerations would require that the start of production of these devices be staggered – some products would need to begin production in September 2006, just 13 months from today. These issues would preclude development of new products lines that are appropriate for this market (price-sensitive smaller televisions), yielding inappropriate products in the marketplace.

Advancing the tuner mandate compliance date in a misguided attempt to meet the holiday selling season would have the opposite effect – it would disrupt the 2006 holiday selling season (for all television devices), and have no affect the 2007 holiday season. This would result in significant consumer confusion and anger, and likely *fewer* digital tuners in consumers' homes.

III. EXTENDING TUNER MANDATE REACH

SHARP does not believe that the free market requires any assistance in the digital transition for small niche televisions. Sub-13-inch televisions are generally either mobile (and destined for automotive DVD players) or very inexpensive, or both.

Devices intended for prerecorded playback, whether they have a tuner or not, do not need a federal mandate to include an expensive (relative to the total product cost) feature which is not generally needed.

On the other hand, devices intended for hand-held and portable reception of broadcast television signals are typically rather inexpensive – and consumers are better served by repurchasing the portable device after the analog cutoff (after most of the efficiency of scale cost decreases) than being forced to purchase a digital tuner earlier. Furthermore, mobile devices have unique tuner needs better served by more advanced silicon – consumers will get a better mobile digital tuner, at a less expensive price (even taking into account the repurchase), without a tuner mandate.

IV. <u>CONCLUSION</u>

In summary, SHARP is committed to supporting the digital transition in an expedient and deliberate fashion. We do not believe that advancing the tuner mandate compliance date to

December 31, 2006 nor expanding its reach to the smallest televisions would serve the public interest.

Respectfully submitted,

Sharp Electronics Corporation, Inc.

Adam Goldberg
Adam Goldberg
Director, Television Standards &
Policy Development
Sharp Laboratories of America, Inc.
8605 Westwood Center Dr., Suite 206
Vienna, VA 22182
+1-703-556-4406

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